



Senate

General Assembly

File No. 258

February Session, 2010

Substitute Senate Bill No. 388

Senate, April 1, 2010

The Committee on Environment reported through SEN. MEYER of the 12th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CONNECTICUT'S ECONOMIC AND ENVIRONMENTAL FUTURE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (a) of section 22a-483 of the 2010 supplement
2 to the general statutes is repealed and the following is substituted in
3 lieu thereof (*Effective from passage*):

4 (a) For the purposes of sections 22a-475 to 22a-483, inclusive, as
5 amended by this act, the State Bond Commission shall have the power,
6 from time to time to authorize the issuance of bonds of the state in one
7 or more series and in principal amounts, not exceeding in the
8 aggregate one billion [sixty-six] one hundred sixteen million thirty
9 thousand dollars, provided [forty] ninety million dollars of said
10 authorization shall be effective July 1, 2010.

11 Sec. 2. Subsection (d) of section 22a-483 of the 2010 supplement to
12 the general statutes is repealed and the following is substituted in lieu
13 thereof (*Effective from passage*):

14 (d) Notwithstanding the foregoing, nothing herein shall preclude
15 the State Bond Commission from authorizing the issuance of revenue
16 bonds, in principal amounts not exceeding in the aggregate one billion
17 nine hundred [thirteen] eighty-three million four hundred thousand
18 dollars, provided [eighty] one hundred fifty million dollars of said
19 authorization shall be effective July 1, 2010, that are not general
20 obligations of the state of Connecticut to which the full faith and credit
21 of the state of Connecticut are pledged for the payment of the principal
22 and interest. Such revenue bonds shall mature at such time or times
23 not exceeding thirty years from their respective dates as may be
24 provided in or pursuant to the resolution or resolutions of the State
25 Bond Commission authorizing such revenue bonds. The revenue
26 bonds, revenue state bond anticipation notes and revenue state grant
27 anticipation notes authorized to be issued under sections 22a-475 to
28 22a-483, inclusive, as amended by this act, shall be special obligations
29 of the state and shall not be payable from nor charged upon any funds
30 other than the revenues or other receipts, funds or moneys pledged
31 therefor as provided in said sections 22a-475 to 22a-483, inclusive, as
32 amended by this act, including the repayment of municipal loan
33 obligations; nor shall the state or any political subdivision thereof be
34 subject to any liability thereon except to the extent of such pledged
35 revenues or the receipts, funds or moneys pledged therefor as
36 provided in said sections 22a-475 to 22a-483, inclusive, as amended by
37 this act. The issuance of revenue bonds, revenue state bond
38 anticipation notes and revenue state grant anticipation notes under the
39 provisions of said sections 22a-475 to 22a-483, inclusive, as amended
40 by this act, shall not directly or indirectly or contingently obligate the
41 state or any political subdivision thereof to levy or to pledge any form
42 of taxation whatever therefor or to make any appropriation for their
43 payment. The revenue bonds, revenue state bond anticipation notes
44 and revenue state grant anticipation notes shall not constitute a charge,
45 lien or encumbrance, legal or equitable, upon any property of the state
46 or of any political subdivision thereof, except the property mortgaged
47 or otherwise encumbered under the provisions and for the purposes of
48 said sections 22a-475 to 22a-483, inclusive, as amended by this act. The

49 substance of such limitation shall be plainly stated on the face of each
50 revenue bond, revenue state bond anticipation note and revenue state
51 grant anticipation note issued pursuant to said sections 22a-475 to
52 22a-483, inclusive, as amended by this act, shall not be subject to any
53 statutory limitation on the indebtedness of the state and such revenue
54 bonds, revenue state bond anticipation notes and revenue state grant
55 anticipation notes, when issued, shall not be included in computing
56 the aggregate indebtedness of the state in respect to and to the extent
57 of any such limitation. As part of the contract of the state with the
58 owners of such revenue bonds, revenue state bond anticipation notes
59 and revenue state grant anticipation notes, all amounts necessary for
60 the punctual payment of the debt service requirements with respect to
61 such revenue bonds, revenue state bond anticipation notes and
62 revenue state grant anticipation notes shall be deemed appropriated,
63 but only from the sources pledged pursuant to said sections 22a-475 to
64 22a-483, inclusive, as amended by this act. The proceeds of such
65 revenue bonds or notes may be deposited in the Clean Water Fund for
66 use in accordance with the permitted uses of such fund. Any expense
67 incurred in connection with the carrying out of the provisions of this
68 section, including the costs of issuance of revenue bonds, revenue state
69 bond anticipation notes and revenue state grant anticipation notes may
70 be paid from the accrued interest and premiums or from any other
71 proceeds of the sale of such revenue bonds, revenue state bond
72 anticipation notes or revenue state grant anticipation notes and in the
73 same manner as other obligations of the state. All provisions of
74 subsections (g), (k), (l), (s) and (u) of section 3-20 or the exercise of any
75 right or power granted thereby which are not inconsistent with the
76 provisions of said sections 22a-475 to 22a-483, inclusive, as amended
77 by this act, are hereby adopted and shall apply to all revenue bonds,
78 state revenue bond anticipation notes and state revenue grant
79 anticipation notes authorized by the State Bond Commission pursuant
80 to said sections 22a-475 to 22a-483, inclusive, as amended by this act.
81 For the purposes of subsection (o) of section 3-20, "bond act" shall be
82 construed to include said sections 22a-475 to 22a-483, inclusive, as
83 amended by this act.

84 Sec. 3. Section 14-21e of the 2010 supplement to the general statutes
85 is repealed and the following is substituted in lieu thereof (*Effective*
86 *from passage*):

87 (a) On and after January 1, 1993, the Commissioner of Motor
88 Vehicles shall issue Long Island Sound commemorative number plates
89 of a design to enhance public awareness of the state's effort to restore
90 and protect Long Island Sound. Said design shall be determined by
91 agreement between the Commissioner of Environmental Protection
92 and the Commissioner of Motor Vehicles. No use shall be made of
93 such plates except as official registration marker plates.

94 (b) The Commissioner of Motor Vehicles shall establish, by
95 regulations adopted in accordance with chapter 54, a fee to be charged
96 for Long Island Sound commemorative number plates in addition to
97 the regular fee or fees prescribed for the registration of a motor vehicle.
98 The fee shall be for such number plates with letters and numbers
99 selected by the Commissioner of Motor Vehicles. The Commissioner of
100 Motor Vehicles may establish a higher fee for: (1) Such number plates
101 which contain letters in place of numbers as authorized by section 14-
102 49, in addition to the fee or fees prescribed for plates issued under said
103 section; and (2) such number plates which are low number plates, in
104 accordance with section 14-160, in addition to the fee or fees prescribed
105 for plates issued under said section. The Commissioner of Motor
106 Vehicles shall establish, by regulations adopted in accordance with the
107 provisions of chapter 54, an additional voluntary lighthouse
108 preservation donation which shall be deposited in the Connecticut
109 Lighthouse Preservation account established under section 22a-27n.
110 All fees established and collected pursuant to this section shall be
111 deposited in the Long Island Sound account established pursuant to
112 section 22a-27v, as amended by this act.

113 (c) [No] Except as provided in subsection (d) of this section, no
114 additional renewal fee shall be charged for renewal of registration for
115 any motor vehicle bearing Long Island Sound commemorative number
116 plates which contain letters in place of numbers, or low number plates,

117 in excess of the renewal fee for Long Island Sound commemorative
118 number plates with letters and numbers selected by the Commissioner
119 of Motor Vehicles. No transfer fee shall be charged for transfer of an
120 existing registration to or from a registration with Long Island Sound
121 commemorative number plates.

122 (d) The Commissioner of Motor Vehicles shall charge an additional
123 renewal fee of fifteen dollars for renewal of registration for any motor
124 vehicle bearing Long Island Sound commemorative number plates.
125 Five dollars of such additional renewal fee shall be dedicated to the
126 administrative costs of the Department of Motor Vehicles. Ten dollars
127 of such additional renewal fee shall be deposited in the habitat
128 restoration matching fund subaccount established pursuant to section
129 22a-27v, as amended by this act.

130 ~~[(d)]~~ (e) The Commissioner of Motor Vehicles, in consultation with
131 the Commissioner of Environmental Protection, shall adopt
132 regulations, in accordance with the provisions of chapter 54, to
133 establish standards and procedures for the issuance, renewal and
134 replacement of Long Island Sound commemorative number plates.

135 Sec. 4. Section 14-21i of the 2010 supplement to the general statutes
136 is repealed and the following is substituted in lieu thereof (*Effective*
137 *from passage*):

138 (a) On and after January 1, 1998, the Commissioner of Motor
139 Vehicles shall issue greenways commemorative number plates of a
140 design to enhance public awareness of the state and local efforts to
141 preserve, restore and protect greenways. The design shall be
142 determined by agreement between the Commissioner of
143 Environmental Protection and the Commissioner of Motor Vehicles.
144 No use shall be made of such plates except as official registration
145 marker plates.

146 (b) The Commissioner of Motor Vehicles shall establish, by
147 regulations adopted in accordance with chapter 54, a fee to be charged
148 for greenways commemorative number plates in addition to the

149 regular fee or fees prescribed for the registration of a motor vehicle.
150 The fee shall be for such number plates with letters and numbers
151 selected by the Commissioner of Motor Vehicles. The Commissioner of
152 Motor Vehicles may establish a higher fee for: (1) Such number plates
153 which contain letters in place of numbers as authorized by section 14-
154 49, in addition to the fee or fees prescribed for plates issued under said
155 section; and (2) such number plates which are low number plates, in
156 accordance with section 14-160, in addition to the fee or fees prescribed
157 for plates issued under said section. Any fee collected pursuant to this
158 subsection shall be deposited in the greenways subaccount established
159 pursuant to section 9 of this act.

160 (c) [No] Except as provided in subsection (d) of this section, no
161 additional renewal fee shall be charged for renewal of registration for
162 any motor vehicle bearing greenways commemorative number plates
163 which contain letters in place of numbers, or low number plates, in
164 excess of the renewal fee for greenways commemorative number
165 plates with letters and numbers selected by the Commissioner of
166 Motor Vehicles. No transfer fee shall be charged for transfer of an
167 existing registration to or from a registration with greenways
168 commemorative number plates.

169 (d) The Commissioner of Motor Vehicles shall charge an additional
170 renewal fee of fifteen dollars for renewal of registration for any motor
171 vehicle bearing greenways commemorative number plates. Five
172 dollars of such additional renewal fee shall be dedicated to the
173 administrative costs of the Department of Motor Vehicles. Ten dollars
174 of such additional renewal fee shall be deposited in the greenways
175 subaccount established pursuant to section 9 of this act.

176 [(d)] (e) The Commissioner of Motor Vehicles, in consultation with
177 the Commissioner of Environmental Protection, shall adopt
178 regulations, in accordance with the provisions of chapter 54, to
179 establish standards and procedures for the issuance, renewal and
180 replacement of greenways commemorative number plates.

181 Sec. 5. Section 14-21s of the 2010 supplement to the general statutes

182 is repealed and the following is substituted in lieu thereof (*Effective*
183 *from passage*):

184 (a) On and after January 1, 2004, the Commissioner of Motor
185 Vehicles shall issue wildlife conservation commemorative number
186 plates of a design to enhance public awareness of state efforts to
187 conserve wildlife species and their habitats in Connecticut. The design
188 shall be determined by agreement between the Commissioner of
189 Environmental Protection and the Commissioner of Motor Vehicles.
190 No use shall be made of such plates except as official registration
191 marker plates.

192 (b) A fee of fifty dollars shall be charged for wildlife conservation
193 commemorative number plates, in addition to the regular fee or fees
194 prescribed for the registration of a motor vehicle. Fifteen dollars of
195 such fee shall be deposited in an account controlled by the Department
196 of Motor Vehicles to be used for the cost of producing, issuing,
197 renewing and replacing such number plates. Thirty-five dollars of such
198 fee shall be deposited in the wildlife conservation subaccount
199 established pursuant to section 7 of this act. Such number plates shall
200 have letters and numbers selected by the Commissioner of Motor
201 Vehicles. The commissioner may establish a higher fee for: (1) Number
202 plates that contain the numbers and letters from a previously issued
203 number plate; (2) number plates that contain letters in place of
204 numbers as authorized by section 14-49, in addition to the fee or fees
205 prescribed for registration under said section; and (3) number plates
206 that are low number plates issued in accordance with section 14-160, in
207 addition to the fee or fees prescribed for registration under said
208 section.

209 (c) A renewal fee of fifteen dollars shall be charged for renewal of
210 registration of a motor vehicle bearing a wildlife conservation
211 commemorative number plate, in addition to the regular fee or fees
212 prescribed for renewal of registration of a motor vehicle. Five dollars
213 of the renewal fee shall be designated for administrative costs of the
214 Department of Motor Vehicles. Ten dollars of the renewal fee shall be

215 deposited in the habitat restoration matching fund subaccount
216 established pursuant to subsection (b) of section 22a-27v, as amended
217 by this act. No additional renewal fee shall be charged for renewal of
218 registration for any motor vehicle bearing a wildlife conservation
219 commemorative number plate which contain letters in place of
220 numbers, or low number plates, in excess of the renewal fee for
221 wildlife conservation commemorative number plates with letters and
222 numbers selected by the Commissioner of Motor Vehicles. No transfer
223 fee shall be charged for transfer of an existing registration to or from a
224 registration with wildlife conservation commemorative number plates.

225 (d) The Commissioner of Motor Vehicles, in consultation with the
226 Commissioner of Environmental Protection, may adopt regulations, in
227 accordance with the provisions of chapter 54, to establish standards
228 and procedures for the issuance, renewal and replacement of wildlife
229 conservation commemorative number plates.

230 (e) The Commissioner of Motor Vehicles may notify eligible
231 motorists of the opportunity to obtain wildlife conservation program
232 commemorative number plates by including a notice with motor
233 vehicle registration renewals and by posting appropriate posters or
234 signs in all division facilities and offices. The notices, posters and signs
235 shall be designed by the Commissioner of Environmental Protection in
236 consultation with the Commissioner of Motor Vehicles.

237 Sec. 6. (NEW) (*Effective from passage*) (a) There is established an
238 account to be known as the "Conservation Fund" which shall be a
239 separate, nonlapsing account within the General Fund. The
240 Conservation Fund may include other subaccounts separate and apart
241 from the conservation account. Any moneys required by law to be
242 deposited in the Conservation Fund shall be deposited therein and
243 credited to the appropriate subaccount.

244 (b) The amount of any fee received by the Department of
245 Environmental Protection that is attributable to the establishment of a
246 new fee or the increase of an existing fee pursuant to the provisions of
247 title 23 or 26 of the general statutes, shall be deposited directly into the

248 Conservation Fund established by subsection (a) of this section and
249 credited to the conservation subaccount. The Commissioner of
250 Environmental Protection shall certify to the Treasurer, with respect to
251 each such fee received on and after June 1, 2010, the amount of such fee
252 that shall be credited to the General Fund and the amount of such fee
253 that shall be credited to the Conservation Fund. All fees collected by
254 the department pursuant to title 23 of the general statutes for parking,
255 admission, boat launching, camping and other recreational uses of
256 state parks, forests, boat launches and other state facilities shall be
257 deposited into the Conservation Fund and credited to the conservation
258 subaccount established by subsection (a) of this section.

259 Sec. 7. (NEW) (*Effective from passage*) (a) There is established a
260 separate, nonlapsing subaccount within the Conservation Fund
261 established under section 6 of this act. Such subaccount shall be known
262 as the "wildlife conservation subaccount". Any moneys required by
263 law to be deposited in the subaccount shall be deposited in the
264 Conservation Fund and credited to the wildlife conservation
265 subaccount. The subaccount shall be available to the Commissioner of
266 Environmental Protection for: (1) Matching federal and private wildlife
267 conservation funds; (2) providing grants to municipalities and
268 nonprofit organizations for wildlife conservation purposes; (3) wildlife
269 research and management, with an emphasis on those wildlife species
270 in greatest need of conservation; (4) wildlife inventory and restoration;
271 (5) wildlife habitat acquisition, restoration, enhancement and
272 management, including, but not limited to, the conservation of
273 grasslands and other early successional habitats; and (6) public
274 outreach that promotes the preservation of the state's wildlife
275 diversity.

276 (b) The Commissioner of Environmental Protection may receive
277 private donations to the wildlife conservation subaccount and any
278 such receipts shall be deposited in the Conservation Fund and credited
279 to the subaccount.

280 (c) The Commissioner of Environmental Protection may provide for

281 the reproduction and marketing of the wildlife conservation
282 commemorative number plate image for use on clothing, recreational
283 equipment, posters, mementoes or other products or programs
284 deemed by the commissioner to be suitable as a means of supporting
285 the wildlife conservation subaccount. Any funds received by the
286 commissioner from such marketing shall be deposited in the
287 Conservation Fund and credited to the subaccount.

288 Sec. 8. (NEW) (*Effective from passage*) (a) There is established a
289 separate, nonlapsing subaccount within the Conservation Fund,
290 established under section 6 of this act, to be known as the
291 "maintenance, repair and improvement subaccount". All moneys
292 collected from any rent paid by any person occupying or otherwise
293 using any property in the custody and control of the Commissioner of
294 Environmental Protection, including houses or other buildings, shall
295 be deposited into the subaccount unless the commissioner enters into a
296 written agreement, signs an instrument or issues a license which
297 specifically states otherwise. The subaccount may also receive moneys
298 from private or public sources, or from the federal government or a
299 municipal government. Any moneys required by law to be deposited
300 into the subaccount shall be deposited in the Conservation Fund and
301 credited to the maintenance, repair and improvement subaccount. The
302 subaccount shall be available to the Commissioner of Environmental
303 Protection for maintaining, making improvements to, erecting
304 structures on or repairing any property in the custody and control of
305 the Commissioner of Environmental Protection, including houses and
306 other buildings. Nothing in this section shall prevent the commissioner
307 from obtaining or using funds from sources other than the subaccount,
308 for maintaining, making improvements to, erecting structures on or
309 repairing any property in the custody and control of said
310 commissioner, including houses and other buildings.

311 (b) The Commissioner of Environmental Protection may receive
312 private donations to the subaccount and any such receipts shall be
313 deposited in the Conservation Fund and credited to the subaccount.

314 Sec. 9. (NEW) (*Effective from passage*) (a) There is established a
315 separate, nonlapsing subaccount within the Conservation Fund
316 established under section 6 of this act. Such subaccount shall be known
317 as the "greenways subaccount". Any moneys required by law to be
318 deposited in the subaccount shall be deposited in the Conservation
319 Fund and credited to the greenways subaccount. The account shall be
320 available (1) to the Commissioner of Environmental Protection for
321 reimbursement of the Department of Motor Vehicles for the cost of
322 producing, issuing, renewing and replacing greenways
323 commemorative number plates, including administrative expenses,
324 pursuant to section 14-21i of the general statutes, as amended by this
325 act, and (2) to the Commissioner of Environmental Protection for
326 grants pursuant to section 23-101 of the general statutes.

327 (b) The Commissioner of Environmental Protection may receive
328 private donations to the greenways subaccount and any such receipts
329 shall be deposited in the Conservation Fund and credited to the
330 subaccount.

331 (c) The Commissioner of Environmental Protection may provide for
332 the reproduction and marketing of the greenways commemorative
333 number plate image for use on clothing, recreational equipment,
334 posters, mementoes or other products or programs deemed by the
335 commissioner to be suitable as a means of supporting the greenways
336 account. Any funds received by the commissioner from such
337 marketing shall be deposited in the Conservation Fund and credited to
338 the greenways subaccount.

339 Sec. 10. (NEW) (*Effective from passage*) (a) There is established a
340 separate, nonlapsing subaccount within the Conservation Fund
341 established under section 6 of this act. Such subaccount shall be known
342 as the "conservation subaccount". Any moneys required by law to be
343 deposited in the subaccount shall be deposited in the Conservation
344 Fund and credited to the conservation subaccount. The conservation
345 subaccount shall be available to the Commissioner of Environmental
346 Protection for the administration of the central office and conservation

347 and preservation programs authorized under the general statutes.

348 (b) The Commissioner of Environmental Protection may receive
349 private donations to the conservation subaccount and any such
350 receipts shall be deposited in the Conservation Fund and credited to
351 the subaccount.

352 Sec. 11. Section 22a-27v of the 2010 supplement to the general
353 statutes is repealed and the following is substituted in lieu thereof
354 (*Effective from passage*):

355 (a) There is established an account to be known as the "Long Island
356 Sound account". The Long Island Sound account shall be a separate,
357 nonlapsing account of the General Fund. Any moneys required by law
358 to be deposited in the account shall be deposited in and credited to the
359 Long Island Sound account. The account shall be available to the
360 Commissioner of Environmental Protection for (1) (A) restoration and
361 rehabilitation of tidal wetlands in proximity to Long Island Sound, (B)
362 restoration and rehabilitation of estuarine embayments in proximity to
363 Long Island Sound, (C) acquisition of public access to Long Island
364 Sound, (D) propagation of and habitat protection for shellfish and
365 finfish, including anadromous fish, and (E) education and public
366 outreach programs to enhance the public's understanding of the need
367 to protect and conserve the natural resources of Long Island Sound; (2)
368 allocation of grants to agencies, institutions or persons, including, but
369 not limited to, the Long Island Sound Foundation, to conduct research
370 and to provide public education and public awareness to enhance
371 understanding and management of the natural resources of Long
372 Island Sound; (3) provision of funds for services which support the
373 protection and conservation of the natural resources of Long Island
374 Sound; or (4) reimbursement of the Department of Motor Vehicles for
375 the cost of producing, issuing, renewing and replacing Long Island
376 Sound commemorative number plates, including administrative
377 expenses, pursuant to section 14-21e, as amended by this act.

378 (b) There is established a separate, nonlapsing subaccount within
379 the Long Island Sound account to be known as the "habitat restoration

380 matching fund". The subaccount shall contain fees required to be
381 deposited in the subaccount pursuant to subsection (c) of section 14-
382 21e, as amended by this act, and subsection (c) of section 14-21s, as
383 amended by this act. The subaccount may also contain moneys from
384 public or private sources, or from the federal government or a
385 municipal government. The account shall be available to the
386 Commissioner of Environmental Protection to: (1) Match federal and
387 private habitat restoration and rehabilitation funds, (2) provide grants
388 to municipalities and nonprofit organizations for habitat restoration
389 and rehabilitation purposes within the Long Island Sound watershed,
390 (3) complete wildlife habitat acquisition, enhancement and
391 management projects, and (4) promote public habitat restoration,
392 rehabilitation and acquisition outreach within the Long Island Sound
393 watershed. Nothing in this section shall prevent the commissioner
394 from obtaining or using funds from sources other than this
395 subaccount, for the restoration and rehabilitation of habitats within the
396 Long Island Sound watershed.

397 ~~[(b)]~~ (c) The commissioner may receive private donations to the
398 Long Island Sound account and any such receipts shall be deposited in
399 the account.

400 ~~[(c)]~~ (d) The commissioner may provide for the reproduction and
401 marketing of the Long Island Sound commemorative number plate
402 image for use on clothing, recreational equipment, posters,
403 mementoes, or other products or programs deemed by the
404 commissioner to be suitable as a means of supporting the Long Island
405 Sound account. Any funds received by the commissioner from such
406 marketing shall be deposited in the Long Island Sound account.

407 Sec. 12. Subsection (c) of section 22a-478 of the general statutes is
408 repealed and the following is substituted in lieu thereof (*Effective from*
409 *passage*):

410 (c) The funding of an eligible water quality project shall be pursuant
411 to a project funding agreement between the state, acting by and
412 through the commissioner, and the municipality undertaking such

413 project and shall be evidenced by a project fund obligation or grant
414 account loan obligation, or both, or an interim funding obligation of
415 such municipality issued in accordance with section 22a-479. A project
416 funding agreement shall be in a form prescribed by the commissioner.
417 Eligible water quality projects shall be funded as follows:

418 (1) A nonpoint source pollution abatement project shall receive a
419 project grant of seventy-five per cent of the cost of the project
420 determined to be eligible by the commissioner.

421 (2) A combined sewer project shall receive (A) a project grant of fifty
422 per cent of the cost of the project, and (B) a loan for the remainder of
423 the costs of the project, not exceeding one hundred per cent of the
424 eligible water quality project costs.

425 (3) A construction contract eligible for financing awarded by a
426 municipality on or after July 1, 1999, as a project undertaken for
427 nitrogen removal shall receive a project grant of thirty per cent of the
428 cost of the project associated with nitrogen removal, a twenty per cent
429 grant for the balance of the cost of the project not related to nitrogen
430 removal, and a loan for the remainder of the costs of the project, not
431 exceeding one hundred per cent of the eligible water quality project
432 costs. [Nitrogen] Nutrients removal projects under design or
433 construction on July 1, [1999] 2010, and projects that have been
434 constructed but have not received permanent, Clean Water Fund
435 financing, on July 1, [1999] 2010, shall be eligible to receive a project
436 grant of thirty per cent of the cost of the project associated with
437 [nitrogen] nutrients removal, a twenty per cent grant for the balance of
438 the cost of the project not related to [nitrogen] nutrients removal, and a
439 loan for the remainder of the costs of the project, not exceeding one
440 hundred per cent of the eligible water quality project costs.

441 (4) If supplemental federal grant funds are available for Clean Water
442 Fund projects specifically related to the clean-up of Long Island Sound
443 that are funded on or after July 1, [2003] 2010, a distressed
444 municipality, as defined in section 32-9p, may receive a combination of
445 state and federal grants in an amount not to exceed fifty per cent of the

446 cost of the project associated with [nitrogen] nutrients removal, a
447 twenty per cent grant for the balance of the cost of the project not
448 related to [nitrogen] nutrients removal, and a loan for the remainder of
449 the costs of the project, not exceeding one hundred per cent of the
450 allowable water quality project costs.

451 (5) A municipality with a water pollution control project, the
452 construction of which began on or after July 1, 2003, which has (A) a
453 population of five thousand or less, or (B) a population of greater than
454 five thousand which has a discrete area containing a population of less
455 than five thousand that is not contiguous with the existing sewerage
456 system, shall be eligible to receive a grant in the amount of twenty-five
457 per cent of the design and construction phase of eligible project costs,
458 and a loan for the remainder of the costs of the project, not exceeding
459 one hundred per cent of the eligible water quality project costs.

460 (6) Any other eligible water quality project shall receive (A) a project
461 grant of twenty per cent of the eligible cost, and (B) a loan for the
462 remainder of the costs of the project, not exceeding one hundred per
463 cent of the eligible project cost.

464 (7) Project agreements to fund eligible project costs with grants from
465 the Clean Water Fund that were executed during or after the fiscal year
466 beginning July 1, 2003, shall not be reduced according to the provisions
467 of the regulations adopted under section 22a-482.

468 (8) On or after July 1, 2002, an eligible water quality project that
469 exclusively addresses sewer collection and conveyance system
470 improvements may receive a loan for one hundred per cent of the
471 eligible costs provided such project does not receive a project grant.
472 Any such sewer collection and conveyance system improvement
473 project shall be rated, ranked, and funded separately from other water
474 pollution control projects and shall be considered only if it is highly
475 consistent with the state's conservation and development plan, or is
476 primarily needed as the most cost effective solution to an existing area-
477 wide pollution problem and incorporates minimal capacity for growth.

478 (9) All loans made in accordance with the provisions of this section
479 for an eligible water quality project shall bear an interest rate of two
480 per cent per annum. The commissioner may allow any project fund
481 obligation, grant account loan obligation or interim funding obligation
482 for an eligible water quality project to be repaid by a borrowing
483 municipality prior to maturity without penalty.

484 Sec. 13. Section 23-20 of the 2010 supplement to the general statutes
485 is repealed and the following is substituted in lieu thereof (*Effective*
486 *from passage*):

487 (a) The Commissioner of Environmental Protection shall administer
488 the statutes relating to forestry and the protection of forests. The
489 commissioner may: [employ] (1) Employ such field and office
490 assistants as may be necessary for the execution of his or her duties, [. The commissioner may,] (2) from time to time, publish the forestry
491 laws of the state and other literature of general interest and practical
492 value pertaining to forestry, [. The commissioner may] (3) enter into
493 cooperation with departments of the federal government for the
494 promotion of forest resource management and protection within the
495 state, [. The commissioner may,] and (4) with the assistance of the State
496 Forester, develop and administer plans for the protection and
497 management of publicly owned woodlands. Such plans shall include,
498 but not be limited to, proposals for the establishment of forest
500 plantations and the marketing of forest products.

501 (b) Not later than January 10, 2010, the commissioner shall apply to
502 have publicly owned woodlands or products from such woodlands
503 certified or licensed under one or more of the following, provided the
504 commissioner uses private funding from gifts, donations or bequests,
505 as authorized in this section, for the cost of all such applications: (1)
506 The Sustainable Forestry Initiative Program, (2) the American Tree
507 Farm System, (3) the Canadian Standards Association's Sustainable
508 Management System Standards, (4) the Finnish Standard, (5) the Forest
509 Stewardship Council, (6) the Pan-European Forest Certification
510 Program, (7) the Swedish Standards, (8) the United Kingdom

511 Woodland Assurance Scheme, (9) the Smart Wood Program, as
512 administered by the Rainforest Alliance, or (10) any other programs
513 deemed necessary, as determined by the commissioner. The
514 commissioner shall implement any sustainable forestry practice
515 necessary for such certification or licensure. The commissioner may
516 accept, on behalf of the Department of Environmental Protection, any
517 gifts, donations or bequests for the purposes of applying for and
518 obtaining such certification or licensure.

519 (c) (1) The commissioner may harvest forest products from
520 woodlands owned by the state and take such other measures as [he or
521 she] the commissioner deems necessary for [their] the efficient
522 management and protection [,] of such woodlands and may sell wood,
523 timber and other products from any state woodlands whenever [he or
524 she] the commissioner deems such sales desirable and may develop
525 recreational facilities in the woodlands managed by the Department of
526 Environmental Protection. The commissioner shall charge no less than
527 ten dollars per cord for any such wood or timber sold as fuel.

528 (2) There is established a separate, nonlapsing account within the
529 General Fund to be known as the "timber harvesting revolving fund".
530 On and after October 1, 2010, the commissioner may use moneys in
531 such account for the purpose of funding the development of forest
532 management plans. The commissioner shall use such forest
533 management plans to guide the harvest of timber from woodlands. All
534 proceeds from the harvest of such timber in accordance with such
535 forest management plans shall be deposited in such account. The
536 commissioner may expend funds from the account that are necessary
537 for all reasonable direct expenses relating to the administration and
538 operation of the account.

539 (d) The commissioner may rent state forest property and buildings
540 thereon under his or her jurisdiction for a period not exceeding
541 twenty-five years, provided any lease for such property and building
542 for a term of more than ten years shall be subject to the review and
543 approval of the State Properties Review Board. The proceeds of such

544 sales, rentals and any receipts resulting from management of the state
 545 forests, or from reimbursements from other state departments or state
 546 institutions, shall be deposited in the General Fund in accordance with
 547 the provisions of section 4-32. Expenditures incurred by the
 548 commissioner for the protection, management and development of the
 549 forests, the preparation and marketing of forest products and the
 550 acquisition of land for the extension and completion of the state forests
 551 as provided in section 23-21 may be paid with moneys appropriated
 552 from the General Fund.

553 (e) The provisions of this section shall not apply to land owned or
 554 managed by the state on which forest resource management measures
 555 may be restricted by deed, statute, or incompatible use. As used in this
 556 section, woodland means land owned or managed by a state agency
 557 and stocked with forest tree species not less than six hundred stems
 558 per acre and at least one year old.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	22a-483(a)
Sec. 2	<i>from passage</i>	22a-483(d)
Sec. 3	<i>from passage</i>	14-21e
Sec. 4	<i>from passage</i>	14-21i
Sec. 5	<i>from passage</i>	14-21s
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>from passage</i>	22a-27v
Sec. 12	<i>from passage</i>	22a-478(c)
Sec. 13	<i>from passage</i>	23-20

Statement of Legislative Commissioners:

Sections 6 to 10, inclusive, were reorganized and technical changes to the language of said sections were made for consistency, clarity and accuracy.

ENV *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 11 \$	FY 12 \$
Treasurer, Debt Serv.	GF - Cost	See Below	See Below
Department of Environmental Protection	GF - Revenue Loss	22,864,573	22,865,073
Department of Environmental Protection	Conservation - Revenue Gain	22,864,573	22,865,073

Note: GF=General Fund; Conservation=Conservation Fund

Municipal Impact:

Municipalities	Effect	FY 11 \$	FY 12 \$
Various Municipalities	Revenue Gain	See Below	See Below

Explanation

The bill results in a General Fund revenue loss of \$22.8 million and a corresponding Conservation Fund revenue gain of \$22.8 million. It also results in other fiscal impacts described below:

Sections 1-2 authorize \$50.0 million in Clean Water Fund General Obligation (GO) bonds in FY 11. The total General Fund debt service cost for principal and interest payments to issue this amount over 20 years, assuming a 5.0% interest rate, is \$76.3 million. The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

These sections also authorize \$70.0 million in Clean Water Fund revenue bonds in FY 11. The General Fund interest cost for principal and interest payments to issue this amount over a 20 year term, assuming a 5% interest rate, is \$106.8 million. The debt service cost for

these bonds is paid primarily with revenue from: (1) investment earnings on the reserves and assets held in the reserve fund required by statute, and (2) loan payments from towns who receive Clean Water Fund low-interest loans. This reduces the debt service cost for the General Fund to a minimal amount. The first year that the state will experience costs associated with the bonds depends on when they are allocated through the State Bond Commission and when the funds are expended.

Sections 1-2 also result in a municipal revenue gain from the bond authorizations for towns that receive grants-in-aid under the Clean Water Fund Program.

Section 3 results in a transfer of \$608,000 in FY 11 and \$545,600 in FY 12 to the newly created Habitat Restoration matching subaccount, as it directs \$10 of each \$15 Long Island Sound license plate renewal fee to the account. This portion of revenue from the renewal of Long Island Sound license plates would be directed to the Habitat Restoration matching subaccount instead of to the Long Island Sound account, reestablished under PA 09-7, the general government implementer.

Section 4 results in a General Fund revenue loss of \$12,500 in FY 11 and \$13,000 in FY 12, and commensurate revenue gain to the Conservation Fund's newly created Greenways subaccount, as it directs \$10 of each \$15 Greenways license plate renewal fee to this account.

Section 5 results in a General Fund revenue loss of \$2,975 in both FY 11 and FY 12, and commensurate revenue gain to the Conservation Fund's Wildlife Conservation subaccount, as it requires \$35 of the \$50 Wildlife Conservation license plate fee to be deposited into this account. It also results in a transfer of \$850 in FY 11 and FY 12 from the Long Island Sound account to the Habitat Restoration subaccount, as it requires \$10 of the \$15 renewal fee to be deposited into the subaccount established in Section 9 of the bill.

Section 6 results in a General Fund revenue loss of \$22,016,753 and a commensurate revenue gain to the Conservation Fund from the creation of the Conservation Fund as a separate, nonlapsing¹ account within the General Fund. This section requires that funds from sportsmen's licenses, in addition to revenue generated from state park and forest admissions, camping, boat launches and other uses of state recreational facilities be deposited into the Conservation Fund.

Section 8 results in an annualized General Fund revenue loss of approximately \$832,345, and a commensurate revenue gain to the Conservation Fund's maintenance, repair and improvement account, as it directs all revenue generated from the rental of certain buildings to this account.

Section 12 expands eligibility for 30% project grants to include municipal nutrient removal projects. To the extent this causes GO bond funds to be expended more rapidly than they otherwise would have been, it would increase future General Fund debt service costs to the state.

Section 13 results in a transfer of approximately \$600,000 annually, from the General Fund to the Timber Harvesting revolving fund, as it creates this new account for the proceeds of the state's timber.

The Out Years

The fiscal impact identified above for the General Fund would continue into the future for the term of issuance of the bonds. It is also dependent upon 1) the number of various license plate renewals and private donations; 2) sportsman's licenses sold; 3) state park and forest admissions; and 4) resident and nonresident camping reservations.

¹ The funds unexpended at the end of the fiscal year in a "non-lapsing" account remain in that account for use in subsequent years.

OLR Bill Analysis**sSB 388*****AN ACT CONCERNING CONNECTICUT'S ECONOMIC AND ENVIRONMENTAL FUTURE.*****SUMMARY:**

This bill increases the bond authorization for Clean Water projects. It increases the G.O. bond authorization by \$50 million, to \$1,116 billion, and makes \$90 million of the total authorization effective July 1, 2010. It also increases the revenue bond authorization by \$70 million, to \$1,983.4 billion, and makes \$150 million of the total authorization effective July 1, 2010.

The bill creates a separate, nonlapsing Conservation Fund account in the General Fund and several separate, nonlapsing subaccounts in the Conservation Fund. It requires funds from the sale of certain commemorative license plates to be put in the related subaccounts. It also creates a subaccount in the Long Island Sound account and a Timber Harvesting Revolving Fund account within the General Fund.

The bill makes municipal nutrient, rather than nitrogen, removal projects under design or construction on July 1, 2010 and projects constructed by that date that have not received permanent Clean Water Fund financing, eligible for (1) project grants equal to 30% of the project costs associated with nutrients removal and 20% of the unrelated balance and (2) a loan for up to 100% of the remaining costs.

If supplemental federal grant funds are available, the bill also makes Long Island Sound watershed nutrient, rather than nitrogen, removal projects under design or construction on July 1, 2010 and projects constructed by that date that have not received permanent, Clean Water Fund financing, eligible for (1) project grants equal to 50% of the

project costs associated with nutrients removal and 20% of the unrelated balance and (2) a loan for up to 100% of the remaining costs.

The bill also makes technical and conforming changes.

EFFECTIVE DATE: Upon passage

§ 6 – CONSERVATION FUND ACCOUNT

The environmental protection department (DEP) commissioner must certify to the treasurer that the amount of new fees or increases in existing fees received on and after June 1, 2010 be credited to the Conservation Fund. These includes fees for parking, admission, boat launching, camping, and other recreational uses of state parks, forests, boat launches, and other state facilities.

§ 7 – *Wildlife Conservation Subaccount*

The bill creates the wildlife conservation subaccount, which will be available to the DEP commissioner for (1) matching federal and private wildlife conservation funds; (2) providing grants to municipalities and nonprofit organizations for wildlife conservation; (3) wildlife research and management, particularly for species in greatest need of conservation; (4) wildlife inventory and restoration; (5) acquiring, restoring, enhancing, and managing wildlife habitat, including the conservation of grasslands and other early successional habitats; and (6) public outreach promoting wildlife diversity preservation.

The commissioner may reproduce and market the wildlife conservation commemorative plate image for use on clothing, recreational equipment, posters, mementoes, or other products she deems suitable for promoting the subaccount. Any funds received from such marketing must be deposited into the Conservation Fund and credited to the subaccount, which may also receive private donations.

§ 8 – *Maintenance, Repair, and Improvement Subaccount*

The bill creates the maintenance, repair, and improvement subaccount, funded by rent paid by anyone occupying or using

property in the DEP commissioner's custody and control, unless the commissioner enters a written agreement, signs an instrument or lease, or issues a license specifically stating otherwise. The subaccount may also receive funds from public or private sources, including private donations. The commissioner can use the subaccount, along with funds from any other source, for maintaining, improving, erecting structures on, or repairing any property in her custody and control.

§ 9 – Greenways Subaccount

The bill creates the greenways subaccount, available to the commissioner (1) to reimburse the Department of Motor Vehicles (DMV) for producing, issuing, renewing, and replacing greenways commemorative plates, including administrative costs, and (2) for the greenways capital grant and small grants programs.

The DEP commissioner may reproduce and market the greenways commemorative plate image for use on clothing, recreational equipment, posters, mementoes, or other products she deems suitable for promoting the subaccount. Any funds received from such marketing must be deposited into the Conservation Fund and credited to the subaccount, which may also receive private donations.

§ 10 – Conservation Subaccount

The bill creates the conservation subaccount, available to the commissioner for central office administration and conservation and preservation programs authorized by statute. The subaccount may also receive private donations.

§ 11 – HABITAT RESTORATION MATCHING FUND SUBACCOUNT

The bill creates the Long Island Sound subaccount, within the Long Island Sound account, available to the DEP commissioner to (1) match federal and private habitat restoration and rehabilitation funds; (2) provide grants to municipalities and nonprofit organizations for Long Island Sound habitat restoration and rehabilitation; (3) complete wildlife habitat acquisition, enhancement, and management projects; and (4) promote public habitat restoration, rehabilitation, and

acquisition in the Long Island Sound watershed. The bill directs fees from the renewal of the Long Island Sound commemorative plate to this subaccount.

§ 13 – TIMBER HARVESTING REVOLVING FUND ACCOUNT

The bill creates a separate, nonlapsing timber harvesting revolving fund account within the General Fund. Beginning October 1, 2010, the DEP commissioner may use the account to fund forest management plan development. She must use the plans to guide woodland timber harvesting. Proceeds from timber harvests in accordance with the management plans must be deposited in the account. The commissioner may expend funds necessary for all reasonable direct account administration and operation expenses.

COMMEMORATIVE LICENSE PLATES

§ 3 – *Long Island Sound Commemorative Plate*

The bill requires an additional \$15 registration renewal fee for any motor vehicle with a Long Island Sound commemorative plate, of which \$5 is dedicated to the DMV's administrative cost and \$10 is deposited in the habitat restoration matching fund subaccount.

§ 4 – *Greenways Commemorative Plate*

The bill requires fees collected for the initial purchase of the greenways commemorative plate to be deposited in the greenways subaccount and requires an additional \$15 registration renewal fee for any motor vehicle with a greenways commemorative plate. Five dollars of the renewal fee is dedicated to the DMV's administrative cost and \$10 is deposited in the greenways subaccount.

§ 5 – *Wildlife Conservation Commemorative Plate*

The bill requires that \$35 of the \$50 registration fee for a wildlife conservation commemorative plate be deposited in the wildlife conservation subaccount. Under current law, \$5 of the \$15 renewal fee must be dedicated to the DMV's administrative cost. The bill requires the remaining \$10 be deposited in the habitat restoration matching fund subaccount.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute

Yea 30 Nay 1 (03/17/2010)